

Rollover Funds Into PERF From Outside Plans

Indiana Public Employees' Retirement Fund

IC: 5-10.2-3-10: first implemented in April 2005

ROLLOVER ACCOUNTS ARE NOW AVAILABLE

Am I eligible to establish a Rollover Account at PERF?

- Anyone who receives an eligible rollover distribution from a qualified retirement plan may contribute that distribution to a new Rollover Account at PERF. Once a member leaves PERF-covered employment, PERF cannot accept rollover contributions.

What types of funds can I use to create a Rollover Account?

- PERF can accept rollover contributions from qualified plans, contracts, or accounts funded with pre-tax dollars. Eligible contributions are defined in Internal Revenue Codes 401(a), 401(k), 403(a), 403(b), 457(b), and IRAs as described in section 408(a) and 408(b).
- PERF cannot accept funds from a retirement account funded with post-tax dollars and not described in one of the code sections listed above. The Roth IRA is an example of this type of non-eligible account.
- A PERF member who is the beneficiary of his or her spouse's Annuity Savings Account (ASA) may roll that distribution into a Rollover Account. PERF beneficiaries who are not the deceased member's spouse are not eligible to roll over the distributed ASA funds.

Members should check with the financial institution currently holding the funds to verify whether those funds are eligible to roll into PERF. Members are urged to check distribution regulations carefully before making any assumptions about eligibility for roll-ins.

How are Rollover Accounts maintained?

- Each Rollover Account established by a member will be maintained separately from his or her Annuity Savings Accounts.
- A separate quarterly statement will be issued for each Rollover Account.

Members are not required to withdraw either Rollover Account or Annuity Savings Account assets if they leave PERF-covered employment prior to applying for retirement benefits.

—continued on reverse side

Funding your future.

CONTINUED INFORMATION ON ROLLOVER ACCOUNTS

What investment options are available for Rollover Accounts?

- Contributions made into the Rollover Accounts may NOT be invested in the Guaranteed Fund.
- Rollover accounts may be invested in any or all of the other PERF investment options. Those options are the Money Market Fund, Bond Fund, S&P 500 Stock Index Fund, U.S. Small Companies Stock Fund, and International Equity Index Fund.

When can Rollover Account assets be withdrawn or received?

- **Prior to Retirement:** a member may withdraw Rollover Account funds at any time, regardless of employment in a PERF-covered position. Payments may be taken as a lump sum distribution or rolled into a non-PERF tax-deferred plan qualified according to IRS regulations. (Note: Members may only withdraw their Annuity Savings Account when they separate from PERF-covered employment. If ASA funds are withdrawn, all Rollover Account assets must be withdrawn as well.)
- **At Retirement:** a member may choose among the same retirement options available for the Annuity Savings Account, including combining Rollover assets into a monthly retirement benefit, or taking a distribution. The member may also choose not to withdraw these funds until he or she reaches the mandatory distribution age of 70 1/2.
- **After Retirement:** A member may choose any of the distribution options, including retirement payment options, available at the time the Rollover funds are actually withdrawn.

Tax implications vary with options chosen. Members are advised to check with tax advisors before making distribution decisions.

How is a Rollover Account opened?

- Rollover application forms and instructions are available on PERF's website, **www.perf.in.gov**, or by calling the Fund toll-free at 1-888-526-1687.
- Members considering the rollover account option should make arrangements well in advance of leaving PERF-covered employment as this choice is available only to active members.

Can PERF answer any other questions about these accounts?

- PERF's Customer Service Representatives are available weekdays from 8 a.m. to 5 p.m. (except on state holidays). Please feel free to call 1-888-526-1687 with any questions. ***You may also visit our offices at 143 West Market Street, directly east of the statehouse, in downtown Indianapolis.***